

Fill in this information to identify the case:Debtor name Southern Produce Distributors, Inc.United States Bankruptcy Court for the: EASTERN DISTRICT OF NORTH CAROLINACase number (if known) 18-02010-5☒ Check if this is an amended filing**Official Form 207****Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy**

04/16

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income**1. Gross revenue from business**☐ None.

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year

Sources of revenue
Check all that apply

Gross revenue
(before deductions and exclusions)

For prior year:
From 9/01/2017 to Filing Date

☒ Operating a business\$21,907,927.00☐ Other _____

For year before that:
From 9/01/2016 to 8/31/2017

☒ Operating a business\$35,376,563.00☐ Other _____

For the fiscal year:
From 9/01/2015 to 8/31/2016

☒ Operating a business\$45,990,522.00☐ Other _____**2. Non-business revenue**

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

☐ None.

Description of sources of revenue

Gross revenue from
each source
(before deductions and exclusions)

For prior year:
From 9/01/2017 to Filing Date

Rental income, misc. sales\$40,184.00

For year before that:
From 9/01/2016 to 8/31/2017

Rental income, misc. sales,
sale of assets\$463,944.00

For the fiscal year:
From 9/01/2015 to 8/31/2016

Rental income, misc. sales,
sale of assets\$472,677.00**Part 2: List Certain Transfers Made Before Filing for Bankruptcy**

Debtor Southern Produce Distributors, Inc.Case number (if known) 18-02010-5**3. Certain payments or transfers to creditors within 90 days before filing this case**

List payments or transfers—including expense reimbursements—to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

☐ None.

Creditor's Name and Address	Dates	Total amount of value	Reasons for payment or transfer Check all that apply
3.1. (See Attachment for Question 3.1)		\$0.00	<input type="checkbox"/> Secured debt <input type="checkbox"/> Unsecured loan repayments <input type="checkbox"/> Suppliers or vendors <input type="checkbox"/> Services <input type="checkbox"/> Other _____

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. *Insiders* include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

☐ None.

Insider's name and address Relationship to debtor	Dates	Total amount of value	Reasons for payment or transfer
4.1. (See Attachment for Question 4.1)		\$0.00	

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

☒ None

Creditor's name and address	Describe of the Property	Date	Value of property
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6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

☒ None

Creditor's name and address	Description of the action creditor took	Date action was taken	Amount
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Part 3: Legal Actions or Assignments**7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits**

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

☒ None.

Case title Case number	Nature of case	Court or agency's name and address	Status of case
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8. Assignments and receivership

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

Debtor Southern Produce Distributors, Inc.Case number (if known) 18-02010-5☐ None**Part 4: Certain Gifts and Charitable Contributions**

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000

☐ None

	Recipient's name and address	Description of the gifts or contributions	Dates given	Value
9.1.	Senator Brent Jackson 1270 Warren Mill Road Newton Grove, NC 28366	Campaign fundraiser	11/28/2017	\$2,000.00
	Recipients relationship to debtor SWP supplier			
9.2.	NC SweetPotato Commission Foundation 700 E. Parrish Dr., Suite C Benson, NC 27504	ROT Research	06/13/2016	\$5,000.00
	Recipients relationship to debtor Association Member			

Part 5: Certain Losses

10. All losses from fire, theft, or other casualty within 1 year before filing this case.

☐ None

Description of the property lost and how the loss occurred	Amount of payments received for the loss <small>If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received. List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property).</small>	Dates of loss	Value of property lost
Water damage, Dobbersville labor camp	pending	Feb. 2018	Unknown
Water damage, Clinton warehouse office area	\$22,968.51	Jan. 2018	\$22,968.51
Auto collision, 2008 Chevrolet Tahoe totaled	\$3,922.00	June 2017	\$0.00

Part 6: Certain Payments or Transfers**11. Payments related to bankruptcy**

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

☐ None.

Who was paid or who received the transfer? Address	If not money, describe any property transferred	Dates	Total amount or value
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Debtor Southern Produce Distributors, Inc.Case number (if known) 18-02010-5

	Who was paid or who received the transfer? Address	If not money, describe any property transferred	Dates	Total amount or value
11.1.	Nicholls & Crampton, P.A P.O. Box 18237 Raleigh, NC 27619	(see also Compensation Statement of Attorneys for Debtor filed with the Court on 4/20/2018 and incorporated herein by reference)	04/20/2018	\$51,717.00
	Email or website address			
	Who made the payment, if not debtor?			

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.
Do not include transfers already listed on this statement.

☒ None.

Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
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13. Transfers not already listed on this statement

List any transfers of money or other property by sale, trade, or any other means made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

☐ None.

	Who received transfer? Address	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
13.1	403 Faison Bay at Land, LLC 2 Wisteria Lane Lake Grove, NY 11755	10.86 acre tract, Sampson County, NC PIN #13034368007 "Eldon Thornton Road Site" (sale for \$500,000)	06/21/2017	\$500,000.00
	Relationship to debtor none			

Part 7: Previous Locations**14. Previous addresses**

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

☒ Does not apply

Address	Dates of occupancy From-To
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Part 8: Health Care Bankruptcies**15. Health Care bankruptcies**

Is the debtor primarily engaged in offering services and facilities for:

- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

☒ No. Go to Part 9.☐ Yes. Fill in the information below.

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Facility name and address

Nature of the business operation, including type of services the debtor provides

If debtor provides meals and housing, number of patients in debtor's care

Part 9: Personally Identifiable Information

16. Does the debtor collect and retain personally identifiable information of customers?

- ☒ No.
- ☐ Yes. State the nature of the information collected and retained.

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?

- ☐ No. Go to Part 10.
- ☒ Yes. Does the debtor serve as plan administrator?

☐ No Go to Part 10.☒ Yes. Fill in below:

Name of plan

Southern Produce Distributors, Inc. 401k Plan

Employer identification number of the plan

EIN: 56-0793360

Has the plan been terminated?

- ☒ No
- ☐ Yes

Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units**18. Closed financial accounts**

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?

Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

☒ None

Financial Institution name and Address

Last 4 digits of account number

Type of account or instrument

Date account was closed, sold, moved, or transferred

Last balance before closing or transfer

19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

☒ None

Depository institution name and address

Names of anyone with access to it
Address

Description of the contents

Do you still have it?

20. Off-premises storage

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

☐ None

Facility name and address

Names of anyone with access to it

Description of the contents

Do you still have it?

Bernie Langdon
P O Box 848
Selma, NC 27576Bernie Langdon2,233 bins sweet potatoes☐ No
☒ Yes

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Facility name and address	Names of anyone with access to it	Description of the contents	Do you still have it?
Brian & Marcus Lee 758A Shaws Pond Road Four Oaks, NC 27524	Brian Lee	200 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
D & T Farms Inc. 8008 NC Hwy 96 S Benson, NC 27504	Timmy McLamb	4,286 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Robert Fann Farming 220 Oscar Tate Road Salemberg, NC 28385	Robert Fann	960 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Harvey Farms 360 Bill Smith Road Kinston, NC 28501	John Harvey	246 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Keith Smith 2515 Lakewood Road Four Oaks, NC 27524	Keith Smith	3,000 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Kevin J. Lee 383 Hinson Road Dunn, NC 28334	Kevin Lee	843 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Kornegay Family Produce, LLC 610 Worley Road Princeton, NC 27569	Danny Kornegay	140 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Sharp Farms, Inc. 5161 NC Hwy 581 Sims, NC 27880	Pender Sharp	200 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
T & J Farms 2866 Maxwell Road Autryville, NC 28318	Terrell Williams	110 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Willie Lee Raynor & Sons 209 N. Johnson Street Newton Grove, NC 28366	Willie Raynor	167 bins sweet potatoes	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes

Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own**21. Property held for another**

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

☒ None

Part 12: Details About Environment Information

For the purpose of Part 12, the following definitions apply:

Environmental law means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).

Site means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.

Hazardous material means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a

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similarly harmful substance.

Report all notices, releases, and proceedings known, regardless of when they occurred.

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

- ☒ No.
☐ Yes. Provide details below.

Case title Case number	Court or agency name and address	Nature of the case	Status of case
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23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?

- ☒ No.
☐ Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
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24. Has the debtor notified any governmental unit of any release of hazardous material?

- ☒ No.
☐ Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
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Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

- ☒ None

Business name address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.	Dates business existed
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26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

- ☐ None

Name and address	Date of service From-To
26a.1. Wayne A. Hildebrandt 3899 Bonnie Walters Road La Grange, NC 28551	03/2017 to present
26a.2. Kenneth J. Lee 475 Baker Chapel Church Road Mount Olive, NC 28365	04/2013 to present
26a.3. Sarah Courtney Brewer 701 Fellowship Church Road Princeton, NC 27569	10/2017 to present
26a.4. Judy P. Brogden P.O. Box 466 Mount Olive, NC 28365	03/2012 to present

Debtor **Southern Produce Distributors, Inc.**Case number (if known) **18-02010-5****Name and address****Date of service
From-To**

26a.5. **Jorge Alberto Rodriguez**
116 E. Park Ave.
Mount Olive, NC 28365

01/2011 to present

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

☐ None**Name and address****Date of service
From-To**

26b.1. **Black, Chestnut & Johnson, P.A.**
P.O. Box 588
Clinton, NC 28329

2015 to present**Name and address****Date of service
From-To**

26b.2. **Ares Management, LLC**
800 Corporate Pointe, 4th Floor
Los Angeles, CA 90230

2013 to present

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

☐ None**Name and address****If any books of account and records are
unavailable, explain why**

26c.1. **Southern Produce Distributors, Inc.**

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

☐ None**Name and address**

26d.1. **Ares Management, LLC**
800 Corporate Pointe, 4th Floor
Los Angeles, CA 90230

26d.2. **Byline Bank**
500 W. Elm Grove Road, Suite 104
Elm Grove, WI 53122

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

☐ No☒ Yes. Give the details about the two most recent inventories.**Name of the person who supervised the taking of the
inventory****Date of inventory****The dollar amount and basis (cost, market,
or other basis) of each inventory**27.1 **Sterling Cook & Howard Fisackerly****08/31/2017****\$4,772,981.00 (contract & packout)****Name and address of the person who has possession of
inventory records****Debtor**

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28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

Name	Address	Position and nature of any interest	% of interest, if any
Randy Swartz	Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	President & CEO	
Name	Address	Position and nature of any interest	% of interest, if any
Estate of David Stewart Precythe	John C. Hine, Executor P.O. Box 916 Goldsboro, NC 27533-0916	Board Member	100%
Name	Address	Position and nature of any interest	% of interest, if any
Kelley S. Precythe	Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	Chairman of the Board	
Name	Address	Position and nature of any interest	% of interest, if any
Brenda Oglesby	P.O. Box 446 Benson, NC 27504	Secretary	

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

- ☐ No
☒ Yes. Identify below.

Name	Address	Position and nature of any interest	Period during which position or interest was held
David Stewart Presythe (deceased)	Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	President/CEO	Prior to 2000 to 04/20/2017
Name	Address	Position and nature of any interest	Period during which position or interest was held
Kelley S. Precythe	Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	President	4/20/2017 to 4/09/2018
Name	Address	Position and nature of any interest	Period during which position or interest was held
Sterling Cook	608 Caicos Court Wilmington, NC 28405	CFO	08/07/2018 to 02/21/2018
Name	Address	Position and nature of any interest	Period during which position or interest was held
Howard Fisackerly	109 Lintel Road Columbus, MS 39701	COO	01/01/2009 to 01/10/18

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

Debtor Southern Produce Distributors, Inc.Case number (if known) 18-02010-5☐ No☒ Yes. Identify below.

	Name and address of recipient	Amount of money or description and value of property	Dates	Reason for providing the value
30.1	Brenda Oglesby P.O. Box 446 Benson, NC 27504	\$133,174.10	Apr. 2017 - Apr. 2018	Salary
	Relationship to debtor Secretary			
30.2	Kelley S. Precythe Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	\$191,460.47	Apr. 2017 - Apr. 2018	Salary
	Relationship to debtor Director, former President			
30.3	Sterling Cook 608 Caicos Court Wilmington, NC 28405	\$165,943.45	Apr. 2017 - Feb. 2018	Salary
	Relationship to debtor former CFO, former CEO			
30.4	Howard Fisackerly 109 Lintel Road Columbus, MS 39701	\$128,614.96	Apr. 2017 - Jan. 2018	Salary
	Relationship to debtor former CFO			
30.5	David Stewart Presythe (deceased) Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	\$8,957.62	Apr. 2017	Salary
	Relationship to debtor former President, former Director			
30.6	Randy Swartz Southern Produce Distributors, Inc. P.O. Box 130 Faison, NC 28341	\$30,769.28	Feb. 2018 - Apr. 2018	Salary
	Relationship to debtor President & CEO, Director			

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

Debtor Southern Produce Distributors, Inc.

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- ☒ No
☐ Yes. Identify below.

Name of the parent corporation

Employer Identification number of the parent corporation

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

- ☒ No
☐ Yes. Identify below.

Name of the pension fund

Employer Identification number of the parent corporation

Part 14: Signature and Declaration

WARNING – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 22, 2018

/s/ Randy S. Swartz

Signature of individual signing on behalf of the debtor

Randy S. Swartz

Printed name

Position or relationship to debtor President & CEO

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

- ☒ No
☐ Yes